

2016

Institute of Museum and Library Services Act (1996): Report 12

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AMENDMENT NO. _____

Calendar No. _____

Purpose: To make amendments with respect to museums *and*
libraries, ~~and arts and artifacts~~ *identity*.

IN THE SENATE OF THE UNITED STATES—104th Cong., 1st Sess.**S. 143**

To consolidate Federal employment training programs and
create a new process and structure for funding the pro-
grams, and for other purposes.

Referred to the Committee on _____
and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. PELL (for
himself, and Mr. JEFFORDS)

Viz:

1 On page 315, after line 16, insert the following:

2 **SEC. ____1. MUSEUM AND LIBRARY SERVICES.**

3 The Museum Services Act (20 U.S.C. 961 et seq.)

4 is amended to read as follows:

5 **“TITLE II—MUSEUM AND**

6 **LIBRARY SERVICES**

7 **“Subtitle A—General Provisions**

8 **“SEC. 201. SHORT TITLE.**

9 “This title may be cited as the ‘Museum and Library

10 Services Act’.

1 **"SEC. 202. GENERAL DEFINITIONS.**

2 "As used in this title:

3 "(1) COMMISSION.—The term 'Commission'
4 means the National Commission on Libraries and
5 Information Science established under section 3 of
6 the National Commission on Libraries and Informa-
7 tion Science Act (20 U.S.C. 1502).

8 "(2) DIRECTOR.—The term 'Director' means
9 the Director of the Institute appointed under section
10 204.

11 ~~"(3) FOUNDATION.—The term 'Foundation'~~
12 ~~means the National Foundation on the Arts and the~~
13 ~~Humanities.~~

14 "(4) INSTITUTE.—The term 'Institute' means
15 the Institute of Museum and Library Services estab-
16 lished under section 203.

17 "(5) MUSEUM BOARD.—The term 'Museum
18 Board' means the National Museum Services Board
19 established under section 276.

20 **"SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.**

21 "(a) ESTABLISHMENT.—There is established within
22 the Foundation an Institute of Museum and Library Serv-
23 ices.

24 "(b) OFFICES.—The Institute shall consist of an Of-
25 fice of Museum Services and an Office of Library Services.

1 There shall be a National Museum Services Board in the
2 Office of Museum Services.

3 **"SEC. 204. DIRECTOR OF THE INSTITUTE.**

4 "(a) APPOINTMENT.—

5 "(1) IN GENERAL.—The Institute shall be
6 headed by a Director, appointed by the President, by
7 and with the advice and consent of the Senate.

8 "(2) TERM.—The Director shall serve for a
9 term of 4 years.

10 "(3) QUALIFICATIONS.—Beginning with the
11 first individual appointed to the position of Director
12 after the date of enactment of ~~the Arts, Humanities,~~
13 ~~and Museum Amendments of 1995,~~ every second in-
14 dividual so appointed shall be appointed from among
15 individuals who have special competence with regard
16 to library and information services. Beginning with
17 the second individual appointed to the position of
18 Director after the date of enactment of ~~the Arts,~~
19 ~~Humanities, and Museum Amendments of 1995,~~
20 every second individual so appointed shall be ap-
21 pointed from among individuals who have special
22 competence with regard to museum services.

23 "(b) COMPENSATION.—The Director shall be com-
24 pensated at the rate provided for level III of the Executive

1 Schedule under section 5314 of title 5, United States
2 Code.

3 “(c) DUTIES AND POWERS.—The Director shall per-
4 form such duties and exercise such powers as may be pre-
5 scribed by law, including—

6 “(1) awarding financial assistance for activities
7 described in this title; and

8 “(2) using not less than 5 percent and not more
9 than 7 percent of the funds made available under
10 this title for each fiscal year to award financial as-
11 sistance for projects that involve both—

12 “(A) activities relating to library and infor-
13 mation services, as described in subtitle B, car-
14 ried out in accordance with such subtitle; and

15 “(B) activities relating to museum services,
16 as described in subtitle C, carried out in accord-
17 ance with such subtitle.

18 “(d) NONDELEGATION.—The Director shall not dele-
19 gate any of the functions of the Director to any person
20 who is not directly responsible to the Director.

21 “(e) COORDINATION.—The Director shall ensure co-
22 ordination of the policies and activities of the Institute
23 with the policies and activities of other agencies and of-
24 fices of the Federal Government having interest in and
25 responsibilities for the improvement of museums and li-

1 braries and information services. ~~Such agencies and offices~~
2 ~~shall include the National Endowment for the Arts, the~~
3 ~~National Endowment for the Humanities, the National~~
4 ~~Science Foundation, appropriate units in the Department~~
5 ~~of Education, the Library of Congress, the Smithsonian~~
6 ~~Institution, and related agencies and offices.~~

7 **"SEC. 205. DEPUTY DIRECTORS.**

8 “(a) APPOINTMENT.—The Office of Library Services
9 shall be headed by a Deputy Director, who shall be ap-
10 pointed by the Director from among individuals who have
11 a graduate degree in library science and expertise in li-
12 brary and information services. The Office of Museum
13 Services shall be headed by a Deputy Director, who shall
14 be appointed by the Director from among individuals who
15 have expertise in museum services.

16 “(b) COMPENSATION.—Each such position of Deputy
17 Director shall be a Senior Executive Service position,
18 which shall be paid at a rate of pay for a position at ES-
19 1 of the Senior Executive Service schedule.

20 **"SEC. 206. PERSONNEL.**

21 “(a) IN GENERAL.—The Director may, in accordance
22 with applicable provisions of title 5, United States Code,
23 appoint and determine the compensation of such employ-
24 ees as the Director determines to be necessary to carry
25 out the duties of the Institute.

1 “(b) VOLUNTARY SERVICES.—The Director may ac-
2 cept and utilize the voluntary services of individuals and
3 reimburse the individuals for travel expenses, including
4 per diem in lieu of subsistence, in the same amounts and
5 to the same extent as authorized under section 5703 of
6 title 5, United States Code, for persons employed intermit-
7 tently in Federal Government service.

8 **“SEC. 207. CONTRIBUTIONS.**

9 “The Institute shall have authority to solicit, accept,
10 receive, and invest in the name of the United States, gifts,
11 bequests, or devises of money and other property or serv-
12 ices and to use such property or services in furtherance
13 of the functions of the Institute. Any proceeds from such
14 gifts, bequests, or devises, after acceptance by the Insti-
15 tute, shall be paid by the donor or the representative of
16 the donor to the Director. The Director shall enter the
17 proceeds in a special interest bearing account to the credit
18 of the Institute for the purposes in each case specified.

19 **“Subtitle B—Library Services and**
20 **Technology**

21 **“SEC. 211. SHORT TITLE.**

22 “This subtitle may be cited as the ‘Library Services
23 and Technology Act’.

1 **"SEC. 212. STATEMENT OF PURPOSE; RECOGNITION OF**
2 **NEED.**

3 “(a) STATEMENT OF PURPOSE.—The purposes of
4 this subtitle are as follows:

5 “(1) To stimulate excellence and promote equity
6 and lifelong access to learning and information re-
7 sources in all types of libraries.

8 “(2) To combine the ability of the Federal Gov-
9 ernment to stimulate significant improvement and
10 innovation in library services with support at State
11 and local levels, and with cooperative programs with
12 other agencies and with public and private sector
13 partnerships, to achieve national library service
14 goals.

15 “(3) To establish national library service goals
16 for the 21st century. Such goals are that every per-
17 son in America will be served by a library that—

18 “(A) provides all users access to informa-
19 tion through regional, State, national, and
20 international electronic networks;

21 “(B) contributes to a productive workforce,
22 and to economic development, by providing re-
23 sources and services designed to meet local
24 community needs;

1 “(C) provides a full range of resources and
2 programs to develop reading and critical think-
3 ing skills for children and adults;

4 “(D) provides targeted services to people
5 of diverse geographic, cultural, and socio-
6 economic backgrounds, to individuals with dis-
7 abilities, and to people with limited functional
8 literacy or information skills; and

9 “(E) provides adequate hours of operation,
10 facilities, staff, collections, and electronic access
11 to information.

12 “(b) RECOGNITION OF NEED.—The Congress recog-
13 nizes that strong library services are essential to empower
14 people to succeed in our Nation’s increasingly global and
15 technological environment.

16 **“SEC. 213. DEFINITIONS.**

17 “As used in this subtitle:

18 “(1) INDIAN TRIBE.—The term ‘Indian tribe’
19 means any tribe, band, nation, or other organized
20 group or community, including any Alaska native
21 village, regional corporation, or village corporation,
22 as defined in or established pursuant to the Alaska
23 Native Claims Settlement Act (43 U.S.C. 1601 et
24 seq.), which is recognized by the Secretary of the In-
25 terior as eligible for the special programs and serv-

1 ices provided by the United States to Indians be-
2 cause of their status as Indians.

3 “(2) LIBRARY CONSORTIA.—The term ‘library
4 consortia’ means any local, statewide, regional, inter-
5 state, or international cooperative association of li-
6 brary entities which provides for the systematic and
7 effective coordination of the resources of school, pub-
8 lic, academic, and special libraries and information
9 centers for improved services for their clientele.

10 “(3) LIBRARY ENTITY.—The term ‘library en-
11 tity’ means a library that performs all activities of
12 a library relating to the collection and organization
13 of library materials and other information and that
14 makes the materials and information publicly avail-
15 able. Such term includes State library administrative
16 agencies and the libraries, library related entities,
17 cooperatives, and consortia through which library
18 services are made publicly available.

19 “(4) PUBLIC LIBRARY.—The term ‘public li-
20 brary’ means a library that serves free of charge all
21 residents of a community, district, or region, and re-
22 ceives its financial support in whole or in part from
23 public funds. Such term also includes a research li-
24 brary, which, for the purposes of this sentence,
25 means a library, which—

1 “(A) makes its services available to the
2 public free of charge;

3 “(B) has extensive collections of books,
4 manuscripts, and other materials suitable for
5 scholarly research which are not available to the
6 public through public libraries;

7 “(C) engages in the dissemination of hu-
8 manistic knowledge through services to readers,
9 fellowships, educational and cultural programs,
10 publications of significant research, and other
11 activities; and

12 “(D) is not an integral part of an institu-
13 tion of higher education.

14 “(5) STATE.—The term ‘State’, unless other-
15 wise specified, includes the several States of the
16 United States, the District of Columbia, the Com-
17 monwealth of Puerto Rico, Guam, American Samoa,
18 the United States Virgin Islands, the Commonwealth
19 of the Northern Mariana Islands, the Republic of
20 the Marshall Islands, the Federated States of Micro-
21 nesia, and the Republic of Palau.

22 “(6) STATE ADVISORY COUNCIL.—The term
23 ‘State advisory council’ means an advisory council
24 established pursuant to section 252.

1 “(7) STATE LIBRARY ADMINISTRATIVE AGEN-
2 CY.—The term ‘State library administrative agency’
3 means the official agency of a State charged by law
4 of that State with the extension and development of
5 public library services throughout the State, which
6 has adequate authority under law of the State to ad-
7 minister the State plan in accordance with the provi-
8 sions of this subtitle.

9 “(8) STATE PLAN.—The term ‘State plan’
10 means the document which gives assurances that the
11 officially designated State library administrative
12 agency has the fiscal and legal authority and capa-
13 bility to administer all aspects of this subtitle, pro-
14 vides assurances for establishing the State’s policies,
15 priorities, criteria, and procedures necessary to the
16 implementation of all programs under this subtitle,
17 submits copies for approval as required by regula-
18 tions promulgated by the Director, and identifies a
19 State’s library needs and sets forth the activities to
20 be taken toward meeting the identified needs sup-
21 ported with the assistance of Federal funds made
22 available under this subtitle.

23 **“SEC. 214. AUTHORIZATION OF APPROPRIATIONS.**

24 “(a) AUTHORITY.—

1 “(1) IN GENERAL.—There are authorized to be
2 appropriated to the Secretary of Education—

3 “(A) for the purpose of awarding grants
4 under subchapter A of chapter 2 and for relat-
5 ed administrative expenses, \$75,000,000 for fis-
6 cal year 1996, and such sums as may be nec-
7 essary for each of the 4 succeeding fiscal years;
8 and

9 “(B) for the purpose of awarding grants
10 under subchapter B of chapter 2 and for relat-
11 ed administrative expenses, \$75,000,000 for fis-
12 cal year 1996, and such sums as may be nec-
13 essary for each of the 4 succeeding fiscal years.

14 “(2) TRANSFER.—The Secretary of Education
15 shall transfer any funds appropriated under the au-
16 thority of paragraph (1) to the Director to enable
17 the Director to carry out this subtitle.

18 “(b) JOINT PROJECTS.—Not less than 5 percent and
19 not more than 7 percent of the funds appropriated under
20 this section for a fiscal year may be made available for
21 projects described in section 204(c)(2) for the fiscal year.

22 “(c) ADMINISTRATION.—Not more than 10 percent
23 of the funds appropriated under this section for a fiscal
24 year may be used to pay for the Federal administrative
25 costs of carrying out this subtitle.

**“CHAPTER 1—BASIC PROGRAM
REQUIREMENTS**

3 “SEC. 221. RESERVATIONS AND ALLOTMENTS.

4 “(a) RESERVATIONS.—From the amount appro-
5 priated under the authority of section 214(a) for any fiscal
6 year, the Director—

7 “(1) shall reserve 1½ percent to award grants
8 in accordance with section 261; and

9 “(2) shall reserve 8 percent to carry out a na-
10 tional leadership program in library science in ac-
11 cordance with section 262.

12 “(b) ALLOTMENTS.—

13 “(1) IN GENERAL.—From the sums appro-
14 priated under the authority of section 214(a) and
15 not reserved under subsection (a) for any fiscal year,
16 the Director shall allot the minimum allotment, as
17 determined under paragraph (3), to each State. Any
18 sums remaining after minimum allotments have been
19 made for such year shall be allotted in the manner
20 set forth in paragraph (2).

21 “(2) REMAINDER.—From the remainder of any
22 sums appropriated under the authority of section
23 214(a) that are not reserved under subsection (a)
24 and not allotted under paragraph (1) for any fiscal
25 year, the Director shall allot to each State an

1 amount that bears the same relation to such remain-
2 der as the population of the State bears to the popu-
3 lation of all the States.

4 “(3) MINIMUM ALLOTMENT.—

5 “(A) IN GENERAL.—For the purposes of
6 this subsection, the minimum allotment shall
7 be—

8 “(i) with respect to appropriations for
9 the purposes of subchapter A of chapter 2,
10 \$200,000 for each State, except that the
11 minimum allotment shall be \$40,000 in the
12 case of Guam, American Samoa, the Unit-
13 ed States Virgin Islands, the Common-
14 wealth of the Northern Mariana Islands,
15 the Republic of the Marshall Islands, the
16 Federated States of Micronesia, and the
17 Republic of Palau; and

18 “(ii) with respect to appropriations for
19 the purposes of subchapter B of chapter 2,
20 \$200,000 for each State, except that the
21 minimum allotment shall be \$40,000 in the
22 case of Guam, American Samoa, the Unit-
23 ed States Virgin Islands, the Common-
24 wealth of the Northern Mariana Islands,
25 the Republic of the Marshall Islands, the

1 Federated States of Micronesia, and the
2 Republic of Palau.

3 “(B) Ratable reductions.—If the sums
4 appropriated under the authority of section
5 214(a) and not reserved under subsection (a)
6 for any fiscal year are insufficient to fully sat-
7 isfy the aggregate of the minimum allotments
8 for all States for that purpose for such year,
9 each of such minimum allotments shall be re-
10 duced ratably.

11 “(4) DATA.—The population of each State and
12 of all the States shall be determined by the Director
13 on the basis of the most recent data available from
14 the Bureau of the Census.

15 **“SEC. 222. ADMINISTRATION AND EVALUATION.**

16 “(a) IN GENERAL.—Not more than 5 percent of the
17 total funds received under this subtitle for any fiscal year
18 by a State may be used for administration.

19 “(b) CONSTRUCTION.—Nothing in this section shall
20 be construed to limit spending for evaluation costs under
21 section 251 from sources other than this subtitle.

22 **“SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.**

24 “(a) PAYMENTS.—The Director shall pay to each
25 State library administrative agency having a State plan

1 approved under section 224 the Federal share of the cost
2 of the activities described in the State plan.

3 “(b) FEDERAL SHARE.—

4 “(1) IN GENERAL.—Except as provided in para-
5 graph (3), the Federal share shall be 50 percent.

6 “(2) NON-FEDERAL SHARE.—The non-Federal
7 share of payments shall be provided from non-Fed-
8 eral, State, or local sources.

9 “(3) SPECIAL RULE.—The Federal share—

10 “(A) for the Commonwealth of Puerto
11 Rico, Guam, American Samoa, the United
12 States Virgin Islands, and the Commonwealth
13 of the Northern Mariana Islands, shall be 66
14 percent; and

15 “(B) for the Republic of the Marshall Is-
16 lands, the Federated States of Micronesia, and
17 the Republic of Palau, shall be 100 percent.

18 “(c) MAINTENANCE OF EFFORT.—

19 “(1) IN GENERAL.—The amount otherwise pay-
20 able to a State for a fiscal year under chapter 2
21 shall be reduced if the level of State expenditures, as
22 described in paragraph (2), for the previous fiscal
23 year are less than the average of the total of such
24 expenditures for the 3 fiscal years preceding that
25 previous fiscal year. The amount of the reduction in

1 allotment for any fiscal year shall be in exact pro-
2 portion to the amount which the State fails to meet
3 the requirement of this subsection.

4 “(2) LEVEL OF STATE EXPENDITURES.—The
5 level of State expenditures for the purposes of para-
6 graph (1) shall include all State dollars expended by
7 the State library administrative agency for library
8 programs that are consistent with the purposes of
9 this subtitle. All funds included in the maintenance
10 of effort calculation under this subsection shall be
11 expended during the fiscal year for which the deter-
12 mination is made, and shall not include capital ex-
13 penditures, special one-time project costs, or similar
14 windfalls.

15 “(3) WAIVER.—The Director may waive the re-
16 quirements of paragraph (1) if the Director deter-
17 mines that such a waiver would be equitable due to
18 exceptional or uncontrollable circumstances such as
19 a natural disaster or a precipitous and unforeseen
20 decline in the financial resources of the State.

21 **“SEC. 224. STATE PLANS.**

22 “(a) STATE PLAN REQUIRED.—

23 “(1) IN GENERAL.—In order to be eligible to
24 receive a grant under this subtitle, a State library

1 administrative agency shall submit a State plan to
2 the Director not later than April 1, 1996.

3 “(2) DURATION.—The State plan shall cover a
4 period of 5 fiscal years.

5 “(3) REVISIONS.—If a State library administra-
6 tive agency makes a substantive revision to its State
7 plan, then the State library administrative agency
8 shall submit to the Director an amendment to the
9 State plan containing such revision not later than
10 April 1 of the fiscal year preceding the fiscal year
11 for which the amendment will be effective.

12 “(b) CONTENTS.—The State plan shall—

13 “(1) specify priorities for improvement of li-
14 brary services so that all people in the State have
15 convenient and appropriate access to information de-
16 livered by libraries through new and emerging tech-
17 nologies assisted under subchapter A of chapter 2;

18 “(2) identify those persons who need special
19 services under subchapter B of chapter 2 and specify
20 priorities for meeting the purpose described in sec-
21 tion 241(a);

22 “(3) describe how section 243 will be imple-
23 mented within the State, specify the accountability
24 and evaluation procedures to be followed by public li-
25 braries receiving funds under such section, and

1 specify whether and how funds are to be aggregated
2 under section 243(b)(2) to improve library services
3 provided to children in the State described in section
4 243(a)(2);

5 “(4) describe the activities and services for
6 which assistance is sought, including—

7 “(A) priorities for the use of funds under
8 this subtitle; and

9 “(B) a description of the types of libraries
10 and library entities that will be eligible to re-
11 ceive funds under this subtitle;

12 “(5) provide that any funds paid to the State
13 in accordance with the State plan shall be expended
14 solely for the purposes for which the funds are au-
15 thorized and appropriated and that such fiscal con-
16 trol and fund accounting procedures have been
17 adopted as may be necessary to assure proper dis-
18 bursement of, and account for, Federal funds paid
19 to the State (including any such funds paid by the
20 State to any other entity) under this subtitle;

21 “(6) provide procedures to ensure that the
22 State library administrative agency shall involve li-
23 braries and users throughout the State in policy de-
24 cisions regarding implementation of this subtitle,

1 and development of the State plan, including estab-
2 lishing the State advisory council;

3 “(7) provide satisfactory assurance that the
4 State library administrative agency—

5 “(A) will make such reports, in such form
6 and containing such information, as the Direc-
7 tor may require to carry out this subtitle and
8 to determine the extent to which funds provided
9 under this subtitle have been effective in carry-
10 ing out the purposes of this subtitle, including
11 reports on evaluations under section 251;

12 “(B) will keep such records and afford
13 such access thereto as the Director may find
14 necessary to assure the correctness and verifica-
15 tion of such reports;

16 “(C) will provide to State advisory council
17 members an orientation regarding the provi-
18 sions of this subtitle and members’ responsibil-
19 ities, including clear, easily understandable in-
20 formation about the State plan; and

21 “(D) will report annually at a meeting of
22 the State advisory council on the State library
23 administrative agency’s progress toward meet-
24 ing the goals and objectives of the State plan;

1 “(8) describe the process for assessing the
2 needs for library and information services within the
3 State, and describe the results of the most recent
4 needs assessment;

5 “(9) establish goals and objectives for achieving
6 within the State the purposes of this subtitle, includ-
7 ing the purposes in sections 212(a), 231(a), and
8 241(a); and

9 “(10) describe how the State library adminis-
10 trative agency, in consultation with the State advi-
11 sory council, will—

12 “(A) administer this subtitle; and

13 “(B) conduct evaluations under section
14 251, including a description of the types of
15 evaluation methodologies to be employed.

16 “(c) ACCOUNTABILITY.—Each State plan shall—

17 “(1) establish State-defined performance goals
18 to set forth the level of performance to be achieved
19 by an activity assisted under this subtitle;

20 “(2) express such goals in an objective, quan-
21 tifiable, and measurable form unless authorized to
22 be in an alternative form in accordance with section
23 1115(b) of title 31, United States Code;

24 “(3) briefly describe the operational processes,
25 skills and technology, and the human, capital, infor-

1 mation, or other resources, required to meet the per-
2 formance goals;

3 “(4) establish performance indicators in accord-
4 ance with subsection (d) to be used in measuring or
5 assessing the relevant outputs, service levels, and
6 outcomes, of each activity assisted under this sub-
7 title;

8 “(5) provide a basis for comparing actual pro-
9 gram results with the established performance goals;
10 and

11 “(6) describe the means to be used to verify
12 and validate measured values.

13 “(d) PERFORMANCE INDICATORS.—Performance in-
14 dicators described in subsection (c)(4) shall include—

15 “(1) evidence of progress toward the national li-
16 brary service goals under section 212(a)(3);

17 “(2) consultation with the State educational
18 agency;

19 “(3) identification of activities suitable for na-
20 tionwide replication; and

21 “(4) progress in improvement of library services
22 provided to children described in section 243(a)(2).

23 “(e) APPROVAL.—

24 “(1) IN GENERAL.—The Director shall approve
25 any State plan under this subtitle that meets the re-

1 quirements of this subtitle and provides satisfactory
2 assurances that the provisions of such plan will be
3 carried out.

4 “(2) PUBLIC AVAILABILITY.—Each State li-
5 brary administrative agency receiving a grant under
6 this subtitle shall make the State plan available to
7 the public.

8 “(3) ADMINISTRATION.—If the Director deter-
9 mines that the State plan does not meet the require-
10 ments of this section, the Director shall—

11 “(A) immediately notify the State library
12 administrative agency of such determination
13 and the reasons for such determination;

14 “(B) offer the State library administrative
15 agency the opportunity to revise its State plan;

16 “(C) provide technical assistance in order
17 to assist the State library administrative agency
18 to meet the requirements of this section; and

19 “(D) provide the State library administra-
20 tive agency the opportunity for a hearing.

1 **“CHAPTER 2—LIBRARY PROGRAMS**

2 **“Subchapter A—Information Access Through**
3 **Technology**

4 **“SEC. 231. GRANTS TO STATES FOR INFORMATION ACCESS**
5 **THROUGH TECHNOLOGY.**

6 “(a) PURPOSE.—The purpose of this subchapter is
7 to provide for the improvement of library services so that
8 all people have access to information delivered by libraries
9 through new and emerging technologies, whether the in-
10 formation originates locally, from the State, nationally, or
11 globally.

12 “(b) GRANTS.—

13 “(1) IN GENERAL.—The Director shall award
14 grants under this subchapter from allotments under
15 section 221(b) to States that have State plans ap-
16 proved under section 224.

17 “(2) FEDERAL SHARE.—Grants awarded under
18 paragraph (1) shall be used to pay the Federal share
19 of the cost of activities under section 232 that are
20 described in a State plan approved under section
21 224.

22 **“SEC. 232. AUTHORIZED ACTIVITIES.**

23 “Each State that receives a grant under section
24 231(b) may use the grant funds to provide statewide serv-
25 ices and subgrants to public libraries, other types of librar-

1 ies and library consortia, or library linkages with other
2 entities, in accordance with the State plan. Such services
3 and subgrants shall involve—

4 “(1) organization, access, and delivery of infor-
5 mation;

6 “(2) lifelong learning, and workforce and eco-
7 nomic development; or

8 “(3) support of technology infrastructure.

9 **“Subchapter B—Information Empowerment**
10 **Through Special Services**

11 **“SEC. 241. GRANTS TO STATES FOR INFORMATION**
12 **EMPOWERMENT THROUGH SPECIAL SERV-**
13 **ICES.**

14 “(a) PURPOSE.—The purpose of this subchapter is
15 to provide for the improvement of library and information
16 services targeted to persons of all ages and cultures who
17 have difficulty using a library and to communities which
18 are geographically disadvantaged in access to libraries,
19 who or which need special materials or services, or who
20 or which will benefit from outreach services for equity of
21 access to library services and information technologies, in-
22 cluding children (from birth through age 17) from families
23 living below the income official poverty line (as defined
24 by the Office of Management and Budget, and revised an-
25 nually in accordance with section 673(2) of the Commu-

1 nity Services Block Grant Act (42 U.S.C. 9902(2)) appli-
2 cable to a family of the size involved).

3 “(b) GRANTS.—

4 “(1) IN GENERAL.—The Director shall award
5 grants under this subchapter from allotments under
6 section 221(b) to States that have State plans ap-
7 proved under section 224.

8 “(2) FEDERAL SHARE.—Grants awarded under
9 paragraph (1) shall be used to pay the Federal share
10 of the cost of the activities under section 242 that
11 are described in a State plan approved under section
12 224.

13 **“SEC. 242. AUTHORIZED ACTIVITIES.**

14 “Each State that receives a grant under section
15 241(b) may use the grant funds to provide statewide serv-
16 ices and subgrants to public libraries, other types of librar-
17 ies and library consortia, or library linkages with other
18 entities, in accordance with the State plan. Such services
19 and subgrants shall involve activities that—

20 “(1) increase literacy and lifelong learning;

21 “(2) serve persons in rural, underserved, or
22 inner-city areas; or

23 “(3) support the provision of special services.

24 **“SEC. 243. SERVICES FOR CHILDREN IN POVERTY.**

25 “(a) STATE LEVEL RESERVATION.—

1 “(1) IN GENERAL.—Except as provided in sub-
2 section (c), from the total amount that each State
3 library administrative agency receives under this
4 subchapter for a fiscal year, such agency shall re-
5 serve the amount of funds determined under para-
6 graph (2) to provide assistance to public libraries in
7 the State to enable such libraries to enhance the
8 provision of special services to children described in
9 such paragraph who are served by such libraries.

10 “(2) AMOUNT.—

11 “(A) IN GENERAL.—Except as provided in
12 subparagraph (B), the amount of funds a State
13 library administrative agency shall reserve
14 under paragraph (1) shall be equal to the sum
15 of—

16 “(i) \$1.50 for every preschooler (birth
17 through age 5) in the State from a family
18 living below the income official poverty line
19 (as defined by the Office of Management
20 and Budget, and revised annually in ac-
21 cordance with section 673(2) of the Com-
22 munity Services Block Grant Act (42
23 U.S.C. 9902(2)) applicable to a family of
24 the size involved); and

1 “(ii) \$1.00 for every school-age child
2 (ages 6 through 17) in the State from such
3 a family.

4 “(B) MAXIMUM.—The maximum amount
5 that a State library administrative agency may
6 reserve under paragraph (1) for any fiscal year
7 shall not exceed 15 percent of the total amount
8 such agency receives under this subchapter for
9 such year.

10 “(b) WITHIN STATE DISTRIBUTION.—

11 “(1) IN GENERAL.—Except as provided in para-
12 graph (2), each public library in a State shall receive
13 under this section for a fiscal year an amount that
14 bears the same relation to the amount the State li-
15 brary administrative agency reserves under sub-
16 section (a) for such year as the number of children
17 described in subsection (a)(2) served by such public
18 library for the preceding fiscal year bears to the
19 number of such children served by all public libraries
20 in the State for such preceding fiscal year.

21 “(2) EXCEPTION.—

22 “(A) IN GENERAL.—If a State library ad-
23 ministrative agency determines that the amount
24 available under paragraph (1) for a fiscal year
25 for 2 or more public libraries is too small to be

1 effective, then such agency may aggregate such
2 amounts for such year.

3 “(B) REQUIREMENTS.—Each State library
4 administrative agency aggregating amounts
5 under subparagraph (A) for a fiscal year—

6 “(i) shall only aggregate the amount
7 available under paragraph (1) for a public
8 library for a fiscal year if the amount so
9 available for such year is \$3,000 or less;
10 and

11 “(ii) shall use such aggregated
12 amounts to enhance the library services
13 provided to the children described in sub-
14 section (a)(2) served by the public libraries
15 for which such agency aggregated such
16 amounts for such year.

17 “(c) ADJUSTMENTS.—

18 “(1) APPROPRIATIONS INCREASE.—For any fis-
19 cal year for which the amount appropriated to carry
20 out this subtitle is greater than the amount appro-
21 priated to carry out this subtitle for the preceding
22 fiscal year by a percentage that equals or exceeds 10
23 percent, the amount each State library administra-
24 tive agency shall reserve under subsection (a)(2) for

1 the fiscal year for which the determination is made
2 shall be increased by the same such percentage.

3 “(2) APPROPRIATIONS DECREASE.—For any
4 fiscal year for which the amount appropriated to
5 carry out this subtitle is less than the amount ap-
6 propriated to carry out this subtitle for the preced-
7 ing fiscal year by a percentage that equals or ex-
8 ceeds 10 percent, the amount each State library ad-
9 ministrative agency shall reserve under subsection
10 (a)(2) for the fiscal year for which the determination
11 is made shall be decreased by the same such per-
12 centage.

13 “(d) PLAN.—Each public library desiring assistance
14 under this section shall submit a plan for the expenditure
15 of funds under this section to the State library administra-
16 tive agency. Such plan shall include a description of how
17 the library will—

18 “(1) identify the children described in sub-
19 section (a)(2);

20 “(2) collaborate with community representatives
21 to ensure planning and implementation of appro-
22 priate, helpful library services; and

23 “(3) establish indicators of success.

1 “(e) PRIORITIES.—Priorities for the use of funds
2 under this section may include activities for children de-
3 scribed in subsection (a)(2) such as—

4 “(1) development of after-school homework sup-
5 port and summer and vacation reading programs;

6 “(2) development of family literacy programs;

7 “(3) extension of branch hours to provide space
8 and resources for homework;

9 “(4) development of coalitions and training pro-
10 grams involving libraries and other service providers
11 in the State;

12 “(5) development of technological resources;

13 “(6) hiring specialized outreach staff; and

14 “(7) development of peer tutoring programs.

15 **“CHAPTER 3—ADMINISTRATIVE**
16 **PROVISIONS**

17 **“Subchapter A—State Requirements**

18 **“SEC. 251. STATE EVALUATION.**

19 “(a) IN GENERAL.—Each State receiving a grant
20 under this subtitle shall annually evaluate, in accordance
21 with subsections (b) and (c), the activities assisted under
22 subchapters A and B of chapter 2.

23 “(b) SUBCHAPTER A ACTIVITIES.—Each evaluation
24 of activities assisted under subchapter A of chapter 2 shall

1 include a description of how effective such activities are
2 in ensuring that—

3 “(1) every American will have affordable access
4 to information resources through electronic net-
5 works;

6 “(2) every public library will be connected to
7 national and international electronic networks;

8 “(3) every State library agency will promote
9 planning and provide support for full library partici-
10 pation in electronic networks;

11 “(4) every public librarian will possess the
12 knowledge and skills needed to help people obtain in-
13 formation through electronic sources; and

14 “(5) every public library will be equipped with
15 the technology needed to help people obtain informa-
16 tion in an effective and timely manner.

17 “(c) SUBCHAPTER B ACTIVITIES.—

18 “(1) IN GENERAL.—Each evaluation of activi-
19 ties assisted under subchapter B of chapter 2 shall
20 include—

21 “(A) with respect to activities to increase
22 literacy and lifelong learning—

23 “(i) an analysis of the current situa-
24 tion in the State;

1 “(ii) how such activities will meet the
2 needs of the current situation in the State
3 and the target groups to be served; and

4 “(iii) a report of the effect of such ac-
5 tivities in relation to the objectives of such
6 activities;

7 “(B) with respect to activities to serve peo-
8 ple in rural and urban areas—

9 “(i) procedures used to identify li-
10 brary users within a community;

11 “(ii) a description of needs and target
12 groups to be served;

13 “(iii) an analysis of the levels of suc-
14 cess to be targeted;

15 “(iv) a report of the effect of such ac-
16 tivities in relation to the objectives of such
17 activities; and

18 “(v) a description of the background
19 of the current level of library service to
20 people in rural and urban areas, and how
21 such activities will extend, improve, and
22 further provide library resources to such
23 people;

24 “(C) with respect to activities to support
25 the provision of special services—

1 “(i) an analysis of the current situa-
2 tion in the State;

3 “(ii) how such activities will meet the
4 needs of the current situation in the State;
5 and

6 “(iii) a report of the effect of such ac-
7 tivities in relation to the objectives of such
8 activities; and

9 “(D) with respect to activities to serve chil-
10 dren under section 243—

11 “(i) an analysis of the current local
12 situations;

13 “(ii) a description of such activities,
14 including objectives and costs of such ac-
15 tivities; and

16 “(iii) a report of the effect of such ac-
17 tivities in relation to the objectives of such
18 activities.

19 “(2) INFORMATION.—Each public library re-
20 ceiving assistance under section 243 shall submit to
21 the State library administrative agency such infor-
22 mation as such agency may require to meet the re-
23 quirements of paragraph (1)(D).

1 **"SEC. 252. STATE ADVISORY COUNCILS.**

2 “(a) COUNCILS REQUIRED.—Each State desiring as-
3 sistance under this subtitle shall establish a State advisory
4 council.

5 “(b) COMPOSITION.—Each State advisory council
6 shall be broadly representative of the library entities in
7 the State, including public, school, academic, special, and
8 institutional libraries, and libraries serving individuals
9 with disabilities.

10 “(c) DUTIES.—Each State advisory council shall—

11 “(1) consult with the State library administra-
12 tive agency regarding the development of the State
13 plan;

14 “(2) advise the State library administrative
15 agency on the development of, and policy matters
16 arising in the administration of, the State plan, in-
17 cluding mechanisms for evaluation;

18 “(3) assist the State library administrative
19 agency in—

20 “(A) the dissemination of information re-
21 garding activities assisted under this subtitle;
22 and

23 “(B) the evaluation of activities assisted
24 under this subtitle; and

25 “(4) establish bylaws to carry out such council’s
26 duties under this subsection.

1 **“Subchapter B—Federal Requirements**

2 **“SEC. 261. SERVICES FOR INDIAN TRIBES.**

3 “(a) GRANTS AUTHORIZED.—From amounts re-
4 served under section 221(a)(1) for any fiscal year the Di-
5 rector shall award grants to organizations primarily serv-
6 ing and representing Indian tribes to enable such organi-
7 zations to carry out the authorized activities described in
8 subsection (b).

9 “(b) AUTHORIZED ACTIVITIES.—Grant funds award-
10 ed under this section may be used for—

11 “(1) inservice or preservice training of Indians
12 as library personnel;

13 “(2) the purchase of library materials;

14 “(3) the conduct of special library programs for
15 Indians;

16 “(4) salaries of library personnel;

17 “(5) transportation to enable Indians to have
18 access to library services;

19 “(6) dissemination of information about library
20 services;

21 “(7) assessment of tribal library needs; and

22 “(8) contracts to provide public library services
23 to Indians living on or near reservations or to ac-
24 complish any activities described in paragraphs (1)
25 through (7).

1 “(c) PROHIBITION.—No funds shall be awarded pur-
2 suant to this section unless such funds will be adminis-
3 tered by a librarian.

4 “(d) DUPLICATION.—In awarding grants under this
5 section, the Director shall take such actions as may be
6 necessary to prevent the grant funds provided under this
7 section from being received by any 2 or more entities to
8 serve the same population.

9 “(e) MAINTENANCE OF EFFORT.—Each organization
10 that receives a grant under this section and supports a
11 public library system shall continue to expend from Fed-
12 eral, State, and local sources an amount not less than the
13 amount expended by such organization from such sources
14 for public library services during the second fiscal year
15 preceding the fiscal year for which the determination is
16 made.

17 “(f) CONSTRUCTION.—Nothing in this section shall
18 be construed to prohibit the dissemination of restricted
19 collections of tribal cultural materials with funds made
20 available under this section.

21 “(g) APPLICATION.—

22 “(1) IN GENERAL.—Any organization which de-
23 sires to receive a grant under this section shall sub-
24 mit an application to the Director that—

1 “(A) describes the activities and services
2 for which assistance is sought; and

3 “(B) contains such information as the Di-
4 rector may require by regulation.

5 “(2) CRITERIA.—The Director shall issue cri-
6 teria for the approval of applications under this sec-
7 tion, but such criteria shall not include—

8 “(A) an allotment formula; or

9 “(B) a matching of funds requirement.

10 **“SEC. 262. NATIONAL LEADERSHIP PROGRAM.**

11 “(a) IN GENERAL.—From the amounts reserved
12 under section 221(a)(2) for any fiscal year the Director
13 shall establish and carry out a program of national leader-
14 ship and evaluation activities to enhance the quality of li-
15 brary services nationwide. Such activities may include—

16 “(1) education and training of persons in li-
17 brary and information science, particularly in areas
18 of new technology and other critical needs, including
19 graduate fellowships, traineeships, institutes, or
20 other programs;

21 “(2) research and demonstration projects relat-
22 ed to the improvement of libraries, education in li-
23 brary and information science, enhancement of li-
24 brary services through effective and efficient use of

1 new technologies, and dissemination of information
2 derived from such projects; and

3 “(3) preservation or digitization of library ma-
4 terials and resources, giving priority to projects em-
5 phasizing coordination, avoidance of duplication, and
6 access by researchers beyond the institution or li-
7 brary entity undertaking the project.

8 “(b) GRANTS OR CONTRACTS.—

9 “(1) IN GENERAL.—The Director may carry
10 out the activities described in subsection (a) by
11 awarding grants to, or entering into contracts with,
12 library entities, agencies, or institutions of higher
13 education.

14 “(2) COMPETITIVE BASIS.—Grants and con-
15 tracts described in paragraph (1) shall be awarded
16 on a competitive basis.

17 “(c) SPECIAL RULE.—The Director, with policy ad-
18 vice from the Museum Board shall make every effort to
19 ensure that activities assisted under this section are ad-
20 ministered by appropriate library and information services
21 professionals or experts and science professionals or ex-
22 perts.

23 **“SEC. 263. STATE AND LOCAL INITIATIVES.**

24 “Nothing in this subtitle shall be construed to inter-
25 fere with State and local initiatives and responsibility in

1 the conduct of library services. The administration of li-
2 braries, the selection of personnel and library books and
3 materials, and insofar as consistent with the purposes of
4 this subtitle, the determination of the best uses of the
5 funds provided under this subtitle, shall be reserved to the
6 States and their local subdivisions.

7 **“Subtitle C—Museum Services**

8 **“SEC. 271. PURPOSE.**

9 “It is the purpose of this subtitle—

10 “(1) to encourage and assist museums in their
11 educational role, in conjunction with formal systems
12 of elementary, secondary, and postsecondary edu-
13 cation and with programs of nonformal education for
14 all age groups;

15 “(2) to assist museums in modernizing their
16 methods and facilities so that the museums may be
17 better able to conserve the cultural, historic, and sci-
18 entific heritage of the United States; and

19 “(3) to ease the financial burden borne by mu-
20 seums as a result of their increasing use by the pub-
21 lic.

22 **“SEC. 272. DEFINITIONS.**

23 “As used in this subtitle, the term ‘museum’ means
24 a public or private nonprofit agency or institution orga-
25 nized on a permanent basis for essentially educational or

1 aesthetic purposes, that utilizes a professional staff, owns
2 or utilizes tangible objects, cares for the tangible objects,
3 and exhibits the tangible objects to the public on a regular
4 basis.

5 **"SEC. 273. MUSEUM SERVICES ACTIVITIES.**

6 “(a) GRANTS.—The Director, subject to the policy di-
7 rection of the Museum Board, may make grants to muse-
8 ums to pay for the Federal share of the cost of increasing
9 and improving museum services, through such activities
10 as—

11 “(1) programs to enable museums to construct
12 or install displays, interpretations, and exhibitions in
13 order to improve museum services to the public;

14 “(2) assisting museums in developing and
15 maintaining professionally trained or otherwise expe-
16 rienced staff to meet their needs;

17 “(3) assisting museums in meeting their admin-
18 istrative costs in preserving and maintaining their
19 collections, exhibiting the collections to the public,
20 and providing educational programs to the public
21 through the use of the collections;

22 “(4) assisting museums in cooperating with
23 each other in developing traveling exhibitions, meet-
24 ing transportation costs, and identifying and locat-
25 ing collections available for loan;

1 “(5) assisting museums in conservation of their
2 collections; and

3 “(6) developing and carrying out specialized
4 programs for specific segments of the public, such as
5 programs for urban neighborhoods, rural areas, In-
6 dian reservations, and penal and other State institu-
7 tions.

8 “(b) CONTRACTS AND COOPERATIVE AGREE-
9 MENTS.—

10 “(1) PROJECTS TO STRENGTHEN MUSEUM
11 SERVICES.—The Director, subject to the policy di-
12 rection of the Museum Board, is authorized to enter
13 into contracts and cooperative agreements with ap-
14 propriate entities to pay for the Federal share of en-
15 abling the entities to undertake projects designed to
16 strengthen museum services, except that any con-
17 tracts or cooperative agreements entered into pursu-
18 ant to this subsection shall be effective only to such
19 extent or in such amounts as are provided in appro-
20 priations Acts.

21 “(2) LIMITATION ON AMOUNT.—The aggregate
22 amount of financial assistance made available under
23 this subsection for a fiscal year shall not exceed 15
24 percent of the amount appropriated under this sub-
25 title for such fiscal year.

1 “(3) OPERATIONAL EXPENSES.—No financial
2 assistance may be provided under this subsection to
3 pay for operational expenses.

4 “(c) FEDERAL SHARE.—

5 “(1) 50 PERCENT.—Except as provided in para-
6 graph (2), the Federal share described in sub-
7 sections (a) and (b) shall be not more than 50 per-
8 cent.

9 “(2) 100 PERCENT.—The Director may use not
10 more than 20 percent of the funds made available
11 under this section for a fiscal year to make grants
12 under subsection (a), or enter into contracts or
13 agreements under subsection (b), for which the Fed-
14 eral share may be 100 percent.

15 “(d) REVIEW AND EVALUATION.—The Director shall
16 establish procedures for reviewing and evaluating grants,
17 contracts, and cooperative agreements made or entered
18 into under this section. Procedures for reviewing grant ap-
19 plications or contracts and cooperative agreements for fi-
20 nancial assistance under this section shall not be subject
21 to any review outside of the Institute.

22 **“SEC. 274. ASSESSMENTS.**

23 “(a) IN GENERAL.—The Director, subject to the pol-
24 icy direction of the Museum Board and in consultation
25 with appropriate representatives of museums and other

1 types of community institutions, agencies, and organiza-
2 tions, shall undertake an assessment of the collaborative
3 possibilities museums can engage in to serve the public
4 more broadly and effectively.

5 “(b) CONTENTS.—The assessment shall include—

6 “(1) an investigation of opportunities to estab-
7 lish collaborative programs between museums within
8 a community, including an investigation of the role
9 that larger institutions can play as mentors to small-
10 er institutions;

11 “(2) an investigation of opportunities to estab-
12 lish collaborative programs between museums and
13 community organizations;

14 “(3) an investigation of the potential for col-
15 laboration between museums on technology issues to
16 reach a broader audience; and

17 “(4) an investigation of opportunities for muse-
18 ums to work with each other and with other commu-
19 nity resources to serve the public better and to co-
20 ordinate professional and financial development ac-
21 tivities.

22 “(c) LIMITATION.—This section shall not apply in
23 any fiscal year for which the amount appropriated under
24 section 277(a) is less than \$28,700,000.

1 **"SEC. 275. AWARD.**

2 "The Director, with the advice of the Museum Board,
3 may annually award a National Award for Museum Serv-
4 ice to outstanding museums that have made significant
5 contributions in service to their communities.

6 **"SEC. 276. NATIONAL MUSEUM SERVICES BOARD.**

7 "(a) ESTABLISHMENT.—There is established in the
8 Institute a National Museum Services Board.

9 "(b) COMPOSITION AND QUALIFICATIONS.—

10 "(1) COMPOSITION.—The Museum Board shall
11 consist of the Director and 14 members appointed
12 by the President, by and with the advice and consent
13 of the Senate.

14 "(2) QUALIFICATIONS.—The appointive mem-
15 bers of the Museum Board shall be selected from
16 among citizens of the United States—

17 "(A) who are members of the general pub-
18 lic;

19 "(B) who are or have been affiliated
20 with—

21 "(i) resources that, collectively, are
22 broadly representative of the curatorial,
23 conservation, educational, and cultural re-
24 sources of the United States; and

25 "(ii) museums that, collectively, are
26 broadly representative of various types of

1 museums, including museums relating to
2 science, history, technology, and art, zoos,
3 and botanical gardens; and

4 “(C) who are recognized for their broad
5 knowledge, expertise, or experience in museums
6 or commitment to museums.

7 “(3) GEOGRAPHIC AND OTHER REPRESENTA-
8 TION.—Members of the Museum Board shall be ap-
9 pointed to reflect persons from various geographic
10 regions of the United States. The Museum Board
11 may not include, at any time, more than 3 members
12 from a single State. In making such appointments,
13 the President shall give due regard to equitable rep-
14 resentation of women, minorities, and persons with
15 disabilities who are involved with museums.

16 “(c) TERMS.—

17 “(1) IN GENERAL.—Each appointive member of
18 the Museum Board shall serve for a term of 5 years,
19 except that—

20 “(A) of the members first appointed, 3
21 shall serve for terms of 5 years, 3 shall serve
22 for terms of 4 years, 3 shall serve for terms of
23 3 years, 3 shall serve for terms of 2 years, and
24 2 shall serve for terms of 1 year, as designated

1 by the President at the time of nomination for
2 appointment; and

3 “(B) any member appointed to fill a va-
4 cancy shall serve for the remainder of the term
5 for which the predecessor of the member was
6 appointed.

7 “(2) REAPPOINTMENT.—No member of the
8 Museum Board who has been a member for more
9 than 7 consecutive years shall be eligible for re-
10 appointment.

11 “(3) SERVICE UNTIL SUCCESSOR TAKES OF-
12 FICE.—Notwithstanding any other provision of this
13 subsection, a member shall serve after the expiration
14 of the term of the member until the successor to the
15 member takes office.

16 “(d) DUTIES AND POWERS.—The Museum Board
17 shall have the responsibility for general policies with re-
18 spect to the duties, powers, and authorities vested in the
19 Institute relating to museum services, including general
20 policies with respect to—

21 “(1) financial assistance awarded under this
22 title for museum services;

23 “(2) projects described in section 204(c)(2);
24 and

1 “(3) measures to ensure that the policies and
2 activities of the Institute for Museum and Library
3 Services are coordinated with other activities of the
4 Federal Government.

5 “(e) CHAIRPERSON.—The President shall designate
6 1 of the appointive members of the Museum Board as
7 Chairperson of the Museum Board.

8 “(f) MEETINGS.—

9 “(1) IN GENERAL.—The Museum Board shall
10 meet—

11 “(A) not less than 3 times each year, in-
12 cluding—

13 “(i) not less than 2 times each year
14 separately; and

15 “(ii) not less than 1 time each year in
16 a joint meeting with the Commission, con-
17 vened for purposes of making general poli-
18 cies with respect to financial assistance for
19 projects described in section 204(c)(2); and

20 “(B) at the call of the Director.

21 “(2) VOTE.—All decisions by the Museum
22 Board with respect to the exercise of the duties and
23 powers of the Museum Board shall be made by a
24 majority vote of the members of the Museum Board
25 who are present. All decisions by the Commission

1 and the Museum Board with respect to the policies
2 described in paragraph (1)(A)(ii) shall be made by
3 a $\frac{2}{3}$ majority vote of the total number of the mem-
4 bers of the Commission and the Museum Board who
5 are present.

6 “(g) QUORUM.—A majority of the members of the
7 Museum Board shall constitute a quorum for the conduct
8 of business at official meetings of the Museum Board, but
9 a lesser number of members may hold hearings. A major-
10 ity of the members of the Commission and a majority of
11 the members of the Museum Board shall constitute a
12 quorum for the conduct of business at official joint meet-
13 ings of the Commission and the Museum Board.

14 “(h) COMPENSATION AND TRAVEL EXPENSES.—

15 “(1) COMPENSATION.—Each member of the
16 Museum Board who is not an officer or employee of
17 the Federal Government shall be compensated at a
18 rate to be fixed by the President, but not to exceed
19 the daily equivalent of the maximum rate authorized
20 for a position above grade GS-15 of the General
21 Schedule under section 5108 of title 5, United
22 States Code, for each day (including travel time)
23 during which such member is engaged in the per-
24 formance of the duties of the Museum Board. All
25 members of the Museum Board who are officers or

1 employees of the Federal Government shall serve
2 without compensation in addition to compensation
3 received for their services as officers or employees of
4 the Federal Government.

5 “(2) TRAVEL EXPENSES.—The members of the
6 Museum Board shall be allowed travel expenses, in-
7 cluding per diem in lieu of subsistence, in the same
8 amounts and to the same extent, as authorized
9 under section 5703 of title 5, United States Code,
10 for persons employed intermittently in Federal Gov-
11 ernment service.

12 “(i) COORDINATION.—The Museum Board, with the
13 advice of the Director, shall take steps to ensure that the
14 policies and activities of the Institute are coordinated with
15 other activities of the Federal Government.

16 **“SEC. 277. AUTHORIZATION OF APPROPRIATIONS.**

17 “(a) GRANTS.—For the purpose of carrying out this
18 subtitle, there are authorized to be appropriated to the Di-
19 rector \$28,700,000 for the fiscal year 1996, and such
20 sums as may be necessary for each of the fiscal years 1997
21 through 2000.

22 “(b) ADMINISTRATION.—Not more than 10 percent
23 of the funds appropriated under this section for a fiscal
24 year may be used to pay for the administrative costs of
25 carrying out this subtitle.

1 “(c) JOINT PROJECTS.—Not less than 5 percent and
2 not more than 7 percent of the funds appropriated under
3 this section for a fiscal year may be made available for
4 projects described in section 204(c)(2) for the fiscal year.

5 “(d) SUMS REMAINING AVAILABLE.—Sums appro-
6 priated pursuant to subsection (a) for any fiscal year shall
7 remain available for obligation until expended.”.

8 **SEC. ____ 2. NATIONAL COMMISSION ON LIBRARIES AND IN-**
9 **FORMATION SCIENCE.**

10 (a) FUNCTIONS.—Section 5 of the National Commis-
11 sion on Libraries and Information Science Act (20 U.S.C.
12 1504) is amended—

13 (1) by redesignating subsections (b) through (d)
14 as subsections (d) through (f), respectively; and

15 (2) by inserting after subsection (a) the follow-
16 ing:

17 “(b) The Commission shall have the responsibility to
18 advise the Director of the Institute of Museum and Li-
19 brary Services on general policies with respect to the du-
20 ties and powers vested in the Institute of Museum and
21 Library Services relating to library services, including—

22 “(1) general policies with respect to—

23 “(A) financial assistance awarded under
24 the Museum and Library Services Act for li-
25 brary services; and

1 “(B) projects described in section
2 204(c)(2) of such Act; and

3 “(2) measures to ensure that the policies and
4 activities of the Institute of Museum and Library
5 Services are coordinated with other activities of the
6 Federal Government.

7 “(c)(1) The Commission shall meet not less than 1
8 time each year in a joint meeting with the National Mu-
9 seum Services Board, convened for purposes of providing
10 advice on general policy with respect to financial assist-
11 ance for projects described in section 204(c)(2) of such
12 Act.

13 “(2) All decisions by the Commission and the Na-
14 tional Museum Services Board with respect to the advice
15 on general policy described in paragraph (1) shall be made
16 by a $\frac{2}{3}$ majority vote of the total number of the members
17 of the Commission and the National Museum Services
18 Board who are present.

19 “(3) A majority of the members of the Commission
20 and a majority of the members of the National Museum
21 Services Board shall constitute a quorum for the conduct
22 of business at official joint meetings of the Commission
23 and the National Museum Services Board.”.

1 (b) MEMBERSHIP.—Section 6 of the National Com-
2 mission on Libraries and Information Science Act (20
3 U.S.C. 1505) is amended—

4 (1) in subsection (a)—

5 (A) in the first sentence, by striking “Li-
6 brarian of Congress” and inserting “Librarian
7 of Congress, the Director of the Institute of
8 Museum and Library Services (who shall serve
9 as an ex officio, nonvoting member),”;

10 (B) in the second sentence—

11 (i) by striking “special competence or
12 interest in” and inserting “special com-
13 petence in or knowledge of; and

14 (ii) by inserting before the period the
15 following: “and at least one other of whom
16 shall be knowledgeable with respect to the
17 library and information service and science
18 needs of the elderly”;

19 (C) in the third sentence, by inserting “ap-
20 pointive” before “members”; and

21 (D) in the last sentence, by striking “term
22 and at least” and all that follows and inserting
23 “term.”; and

24 (2) in subsection (b), by striking “the rate spec-
25 ified” and all that follows through “and while” and

1 inserting "the daily equivalent of the maximum rate
2 authorized for a position above grade GS-15 of the
3 General Schedule under section 5108 of title 5,
4 United States Code, for each day (including travel-
5 time) during which the members are engaged in the
6 business of the Commission. While".

7 **SEC. ____3. TRANSFER OF FUNCTIONS FROM INSTITUTE OF**
8 **MUSEUM SERVICES.**

9 (a) DEFINITIONS.—For purposes of this section, un-
10 less otherwise provided or indicated by the context—

11 (1) the term "Federal agency" has the meaning
12 given to the term "agency" by section 551(1) of title
13 5, United States Code;

14 (2) the term "function" means any duty, obli-
15 gation, power, authority, responsibility, right, privi-
16 lege, activity, or program; and

17 (3) the term "office" includes any office, ad-
18 ministration, agency, institute, unit, organizational
19 entity, or component thereof.

20 (b) TRANSFER OF FUNCTIONS.—There are trans-
21 ferred to the Institute of Museum and Library Services
22 established under section 203 of the Museum and Library
23 Services Act all functions that the Director of the Institute
24 of Museum Services exercised before the date of enact-

1 ment of this section (including all related functions of any
2 officer or employee of the Institute of Museum Services).

3 (c) DETERMINATIONS OF CERTAIN FUNCTIONS BY
4 THE OFFICE OF MANAGEMENT AND BUDGET.—If nec-
5 essary, the Office of Management and Budget shall make
6 any determination of the functions that are transferred
7 under subsection (b).

8 (d) DELEGATION AND ASSIGNMENT.—Except where
9 otherwise expressly prohibited by law or otherwise pro-
10 vided by this section, the Director of the Institute of Mu-
11 seum and Library Services may delegate any of the func-
12 tions transferred to the Director of the Institute of Mu-
13 seum and Library Services by this section and any func-
14 tion transferred or granted to such Director of the Insti-
15 tute of Museum and Library Services after the effective
16 date of this section to such officers and employees of the
17 Institute of Museum and Library Services as the Director
18 of the Institute of Museum and Library Services may des-
19 ignate, and may authorize successive redelegations of such
20 functions as may be necessary or appropriate. No delega-
21 tion of functions by the Director of the Institute of Mu-
22 seum and Library Services under this section or under any
23 other provision of this section shall relieve such Director
24 of the Institute of Museum and Library Services of re-
25 sponsibility for the administration of such functions.

1 (e) REORGANIZATION.—The Director of the Institute
2 of Museum and Library Services may allocate or reallocate
3 any function transferred under subsection (b) among the
4 officers of the Institute of Museum and Library Services,
5 and may establish, consolidate, alter, or discontinue such
6 organizational entities in the Institute of Museum and Li-
7 brary Services as may be necessary or appropriate.

8 (f) RULES.—The Director of the Institute of Museum
9 and Library Services may prescribe, in accordance with
10 chapters 5 and 6 of title 5, United States Code, such rules
11 and regulations as the Director of the Institute of Museum
12 and Library Services determines to be necessary or appro-
13 priate to administer and manage the functions of the In-
14 stitute of Museum and Library Services.

15 (g) TRANSFER AND ALLOCATIONS OF APPROPRIA-
16 TIONS AND PERSONNEL.—Except as otherwise provided
17 in this section, the personnel employed in connection with,
18 and the assets, liabilities, contracts, property, records, and
19 unexpended balances of appropriations, authorizations, al-
20 locations, and other funds employed, used, held, arising
21 from, available to, or to be made available in connection
22 with the functions transferred by this section, subject to
23 section 1531 of title 31, United States Code, shall be
24 transferred to the Institute of Museum and Library Serv-
25 ices. Unexpended funds transferred pursuant to this sub-

1 section shall be used only for the purposes for which the
2 funds were originally authorized and appropriated.

3 (h) INCIDENTAL TRANSFERS.—The Director of the
4 Office of Management and Budget, at such time or times
5 as the Director shall provide, may make such determina-
6 tions as may be necessary with regard to the functions
7 transferred by this section, and make such additional inci-
8 dental dispositions of personnel, assets, liabilities, grants,
9 contracts, property, records, and unexpended balances of
10 appropriations, authorizations, allocations, and other
11 funds held, used, arising from, available to, or to be made
12 available in connection with such functions, as may be nec-
13 essary to carry out this section. The Director of the Office
14 of Management and Budget shall provide for the termi-
15 nation of the affairs of all entities terminated by this sec-
16 tion and for such further measures and dispositions as
17 may be necessary to effectuate the purposes of this sec-
18 tion.

19 (i) EFFECT ON PERSONNEL.—

20 (1) IN GENERAL.—Except as otherwise pro-
21 vided by this section, the transfer pursuant to this
22 section of full-time personnel (except special Govern-
23 ment employees) and part-time personnel holding
24 permanent positions shall not cause any such em-
25 ployee to be separated or reduced in grade or com-

1 pensation for 1 year after the date of transfer of
2 such employee under this section.

3 (2) EXECUTIVE SCHEDULE POSITIONS.—Except
4 as otherwise provided in this section, any person
5 who, on the day preceding the effective date of this
6 section, held a position compensated in accordance
7 with the Executive Schedule prescribed in chapter
8 53 of title 5, United States Code, and who, without
9 a break in service, is appointed in the Institute of
10 Museum and Library Services to a position having
11 duties comparable to the duties performed imme-
12 diately preceding such appointment shall continue to
13 be compensated in such new position at not less
14 than the rate provided for such previous position, for
15 the duration of the service of such person in such
16 new position.

17 (j) SAVINGS PROVISIONS.—

18 (1) CONTINUING EFFECT OF LEGAL DOCU-
19 MENTS.—All orders, determinations, rules, regula-
20 tions, permits, agreements, grants, contracts, certifi-
21 cates, licenses, registrations, privileges, and other
22 administrative actions—

23 (A) that have been issued, made, granted,
24 or allowed to become effective by the President,
25 any Federal agency or official of a Federal

1 agency, or by a court of competent jurisdiction,
2 in the performance of functions that are trans-
3 ferred under this section; and

4 (B) that were in effect before the effective
5 date of this section, or were final before the ef-
6 fective date of this section and are to become
7 effective on or after the effective date of this
8 section;

9 shall continue in effect according to their terms until
10 modified, terminated, superseded, set aside, or re-
11 voked in accordance with law by the President, the
12 Director of the Institute of Museum and Library
13 Services or other authorized official, a court of com-
14 petent jurisdiction, or by operation of law.

15 (2) PROCEEDINGS NOT AFFECTED.—This sec-
16 tion shall not affect any proceedings, including no-
17 tices of proposed rulemaking, or any application for
18 any license, permit, certificate, or financial assist-
19 ance pending before the Institute of Museum Serv-
20 ices on the effective date of this section, with respect
21 to functions transferred by this section. Such pro-
22 ceedings and applications shall be continued. Orders
23 shall be issued in such proceedings, appeals shall be
24 taken from the orders, and payments shall be made
25 pursuant to the orders, as if this section had not

1 been enacted, and orders issued in any such proceed-
2 ings shall continue in effect until modified, termi-
3 nated, superseded, or revoked by a duly authorized
4 official, by a court of competent jurisdiction, or by
5 operation of law. Nothing in this paragraph shall be
6 construed to prohibit the discontinuance or modifica-
7 tion of any such proceeding under the same terms
8 and conditions and to the same extent that such pro-
9 ceeding could have been discontinued or modified if
10 this section had not been enacted.

11 (3) SUITS NOT AFFECTED.—This section shall
12 not affect suits commenced before the effective date
13 of this section, and in all such suits, proceedings
14 shall be had, appeals taken, and judgments rendered
15 in the same manner and with the same effect as if
16 this section had not been enacted.

17 (4) NONABATEMENT OF ACTIONS.—No suit, ac-
18 tion, or other proceeding commenced by or against
19 the Institute of Museum Services, or by or against
20 any individual in the official capacity of such individ-
21 ual as an officer of the Institute of Museum Serv-
22 ices, shall abate by reason of the enactment of this
23 section.

24 (5) ADMINISTRATIVE ACTIONS RELATING TO
25 PROMULGATION OF REGULATIONS.—Any administra-

1 tive action relating to the preparation or promulga-
2 tion of a regulation by the Institute of Museum
3 Services relating to a function transferred under this
4 section may be continued by the Institute of Mu-
5 seum and Library Services with the same effect as
6 if this section had not been enacted.

7 (k) TRANSITION.—The Director of the Institute of
8 Museum and Library Services may utilize—

9 (1) the services of such officers, employees, and
10 other personnel of the Institute of Museum Services
11 with respect to functions transferred to the Institute
12 of Museum and Library Services by this section; and

13 (2) funds appropriated to such functions for
14 such period of time as may reasonably be needed to
15 facilitate the orderly implementation of this section.

16 (l) REFERENCES.—A reference in any other Federal
17 law, Executive order, rule, regulation, or delegation of au-
18 thority, or any document of or relating to—

19 (1) the Director of the Institute of Museum
20 Services with regard to functions transferred under
21 subsection (b), shall be deemed to refer to the Direc-
22 tor of the Institute of Museum and Library Services;
23 and

24 (2) the Institute of Museum Services with re-
25 gard to functions transferred under subsection (b),

1 shall be deemed to refer to the Institute of Museum
2 and Library Services.

3 (m) ADDITIONAL CONFORMING AMENDMENTS.—

4 (1) RECOMMENDED LEGISLATION.—After con-
5 sultation with the appropriate committees of Con-
6 gress and the Director of the Office of Management
7 and Budget, the Director of the Institute of Museum
8 and Library Services shall prepare and submit to the
9 appropriate committees of Congress recommended
10 legislation containing technical and conforming
11 amendments to reflect the changes made by this sec-
12 tion.

13 (2) SUBMISSION TO CONGRESS.—Not later than
14 6 months after the effective date of this section, the
15 Director of the Institute of Museum and Library
16 Services shall submit to the appropriate committees
17 of Congress the recommended legislation referred to
18 under paragraph (1).

19 **SEC. ____ 4. SERVICE OF INDIVIDUALS SERVING ON DATE OF**
20 **ENACTMENT.**

21 Notwithstanding section 204 of the Museum and Li-
22 brary Services Act, the individual who was appointed to
23 the position of Director of the Institute of Museum Serv-
24 ices under section 205 of the Museum Services Act (as
25 such section was in effect on the day before the date of

1 enactment of this Act) and who is serving in such position
2 on the day before the date of enactment of this Act shall
3 serve as the first Director of the Institute of Museum and
4 Library Services under section 204 of the Museum and
5 Library Services Act (as added by section ____1 of this
6 Act), and shall serve at the pleasure of the President.

7 **SEC. ____5. CONSIDERATION.**

8 Consistent with title 5, United States Code, in ap-
9 pointing employees of the Office of Library Services, the
10 Director of the Institute of Museum and Library Services
11 shall give strong consideration to individuals with experi-
12 ence in administering State-based and national library and
13 information services programs.

14 **SEC. ____6. REPEALS AND TECHNICAL AND CONFORMING**
15 **AMENDMENTS.**

16 (a) **REPEALS.—**

17 (1) **LIBRARY SERVICES AND CONSTRUCTION**
18 **ACT.—**The Library Services and Construction Act
19 (20 U.S.C. 351 et seq.) is repealed.

20 (2) **HIGHER EDUCATION ACT OF 1965.—**Title II
21 of the Higher Education Act of 1965 (20 U.S.C.
22 1021 et seq.) is repealed.

23 (b) **REFERENCES TO LIBRARY SERVICES AND CON-**
24 **STRUCTION ACT.—**

1 (1) OMNIBUS EDUCATION RECONCILIATION ACT
2 OF 1981.—Section 528 of the Omnibus Education
3 Reconciliation Act of 1981 (20 U.S.C. 3489) is
4 amended—

5 (A) by striking paragraph (12); and

6 (B) by redesignating paragraphs (13)
7 through (15) as paragraphs (12) through (14),
8 respectively.

9 (2) ELEMENTARY AND SECONDARY EDUCATION
10 ACT OF 1965.—Section 3113(10) of the Elementary
11 and Secondary Education Act of 1965 (20 U.S.C.
12 6813(10)) is amended by striking “section 3 of the
13 Library Services and Construction Act” and insert-
14 ing “section 213(7) of the Library Services and
15 Technology Act”.

16 (3) COMMUNITY IMPROVEMENT VOLUNTEER
17 ACT OF 1994.—Section 7305 of the Community Im-
18 provement Volunteer Act of 1994 (40 U.S.C. 276d-
19 3) is amended—

20 (A) by striking paragraph (1); and

21 (B) by redesignating paragraphs (2)
22 through (6) as paragraphs (1) through (5), re-
23 spectively.

24 (4) APPALACHIAN REGIONAL DEVELOPMENT
25 ACT OF 1965.—Section 214(c) of the Appalachian

1 Regional Development Act of 1965 (40 U.S.C. App.
2 214(c)) is amended by striking "Library Services
3 and Construction Act;".

4 (5) DEMONSTRATION CITIES AND METROPOLI-
5 TAN DEVELOPMENT ACT OF 1966.—Section 208(2) of
6 the Demonstration Cities and Metropolitan Develop-
7 ment Act of 1966 (42 U.S.C. 3338(2)) is amended
8 by striking "title II of the Library Services and Con-
9 struction Act;".

10 (6) PUBLIC LAW 87-688.—Subsection (c) of the
11 first section of the Act entitled "An Act to extend
12 the application of certain laws to American Samoa",
13 approved September 25, 1962 (48 U.S.C. 1666(c))
14 is amended by striking "the Library Services Act
15 (70 Stat. 293; 20 U.S.C. 351 et seq.),".

16 (c) REFERENCES TO INSTITUTE OF MUSEUM SERV-
17 ICES.—

18 (1) TITLE 5, UNITED STATES CODE.—Section
19 5315 of title 5, United States Code, is amended by
20 striking the following:

21 "Director of the Institute of Museum Services."
22 and inserting the following:

23 "Director of the Institute of Museum and Li-
24 brary Services.".

1 (2) DEPARTMENT OF EDUCATION ORGANIZA-
2 TION ACT.—Section 301 of the Department of Edu-
3 cation Organization Act (20 U.S.C. 3441) is amend-
4 ed—

5 (A) in subsection (a)—

6 (i) by striking paragraph (5); and

7 (ii) by redesignating paragraphs (6)
8 and (7) as paragraphs (5) and (6), respec-
9 tively; and

10 (B) in subsection (b)—

11 (i) by striking paragraph (4); and

12 (ii) by redesignating paragraphs (5)
13 through (7) as paragraphs (4) through (6),
14 respectively.

15 (3) ELEMENTARY AND SECONDARY EDUCATION
16 ACT OF 1965.—

17 (A) Sections 2101(b), 2205(c)(1)(D),
18 2208(d)(1)(H)(v), and 2209(b)(1)(C)(vi), and
19 subsections (d)(6) and (e)(2) of section 10401
20 of the Elementary and Secondary Education
21 Act of 1965 (20 U.S.C. 6621(b),
22 6645(c)(1)(D), 6648(d)(1)(H)(v),
23 6649(b)(1)(C)(vi), and 8091 (d)(6) and (e)(2))
24 are amended by striking “the Institute of Mu-

1 seum Services” and inserting “the Institute of
2 Museum and Library Services”.

3 (B) Section 10412(b) of such Act (20
4 U.S.C. 8102(b)) is amended—

5 (i) in paragraph (2), by striking “~~the~~
6 ~~Chairman of the National Endowment for~~
7 ~~the Humanities, the Chairman of the Na-~~
8 ~~tional Endowment for the Arts, and the~~
9 Director of the Institute of Museum Serv-
10 ices,” and inserting “~~the Chairperson of~~
11 ~~the National Endowment for the Human-~~
12 ~~ities, the Chairperson of the National En-~~
13 ~~dowment for the Arts, and the Director of~~
14 the Institute of Museum and Library Serv-
15 ices,”; and

16 (ii) in paragraph (7), by striking “~~the~~
17 ~~Chairman of the National Endowment for~~
18 ~~the Humanities, the Chairman of the Na-~~
19 ~~tional Endowment for the Arts and the Di-~~
20 rector of the Institute of Museum Serv-
21 ices,” and inserting “~~the Chairperson of~~
22 ~~the National Endowment for the Human-~~
23 ~~ities, the Chairperson of the National En-~~
24 ~~dowment for the Arts, and the Director of~~

1 the Institute of Museum and Library Serv-
2 ices,”.

3 (C) Section 10414(a)(2)(B) of such Act
4 (20 U.S.C. 8104(a)(2)(B)) is amended by strik-
5 ing clause (iii) and inserting the following new
6 clause:

7 “(iii) the Institute of Museum and Li-
8 brary Services.”.

9 (d) REFERENCES TO HIGHER EDUCATION ACT OF
10 1965.—

11 (1) HIGHER EDUCATION ACT OF 1965.—Para-
12 graph (2) of section 356(b) of the Higher Education
13 Act of 1965 (20 U.S.C. 1069b(b)) is amended by
14 striking “II,”.

15 (2) HIGHER EDUCATION AMENDMENTS OF
16 1986.—Part D of title XIII of the Higher Education
17 Amendments of 1986 (20 U.S.C. 1029 note) is re-
18 pealed.

19 (e) REFERENCES TO OFFICE OF LIBRARIES AND
20 LEARNING RESOURCES.—

21 (1) EDUCATION AMENDMENTS OF 1974.—Sec-
22 tion 519 of the Education Amendments of 1974 (20
23 U.S.C. 1221i) is repealed.

24 (2) DEPARTMENT OF EDUCATION ORGANIZA-
25 TION ACT.—Section 413(b)(1) of the Department of

1 Education Organization Act (20 U.S.C. 3473(b)(1))

2 is amended—

3 (A) by striking subparagraph (H); and

4 (B) by redesignating subparagraphs (I)

5 through (M) as subparagraphs (H) through

6 (L), respectively.

7 **SEC. ____ 7. ARTS AND ARTIFACTS.**

8 The Arts and Artifacts Indemnity Act (20 U.S.C. 971

9 et seq.) is amended to read as follows:

10 **"SECTION 1. SHORT TITLE.**

11 "This Act may be cited as the 'Arts and Artifacts

12 Indemnity Act'.

13 **"SEC. 2. INDEMNITY FOR EXHIBITIONS OF ARTS AND ARTI-**

14 **FACTS.**

15 ~~"The Chairperson of the National Endowment for the~~

16 ~~Arts (referred to in this title as the 'Chairperson')~~ may

17 enter into agreements to indemnify against loss or damage

18 such items as may be eligible for such indemnity agree-

19 ments under section 3—

20 "(1) in accordance with the provisions of this

21 Act; and

22 "(2) on such terms and conditions as the Chair-

23 person shall prescribe, by regulation, in order to

24 achieve the objectives of this Act and, consistent

*Note:
put back
in*

Director of the Institute of Museum and Library Services

Director

1 Education Organization Act (20 U.S.C. 3473(b)(1))

2 is amended—

3 (A) by striking subparagraph (H); and

4 (B) by redesignating subparagraphs (I)

5 through (M) as subparagraphs (H) through

6 (L), respectively.

7 **SEC. ____ 7. ARTS AND ARTIFACTS.**

8 The Arts and Artifacts Indemnity Act (20 U.S.C. 971

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10 **“SECTION 1. SHORT TITLE.**

11 “This Act may be cited as the ‘Arts and Artifacts

12 Indemnity Act’.

13 **“SEC. 2. INDEMNITY FOR EXHIBITIONS OF ARTS AND ARTI-**

14 **FACTS.**

15 *Director of the Institute of Museums*
~~“The Chairperson of the National Endowment for the~~

16 *and Library Services*
~~Arts (referred to in this title as the ‘Chairperson’) may~~

17 enter into agreements to indemnify against loss or damage

18 such items as may be eligible for such indemnity agree-

19 ments under section 3—

20 “(1) in accordance with the provisions of this

21 Act; and

22 “(2) on such terms and conditions as the *Director*
~~Chair-~~

23 ~~person~~ shall prescribe, by regulation, in order to

24 achieve the objectives of this Act and, consistent

1 with such objectives, to protect the financial interest
2 of the United States.

3 **"SEC. 3. ELIGIBLE ITEMS.**

4 **"(a) TYPES OF ITEMS.—**The ^{Director} ~~Chairperson~~ may enter
5 into an indemnity agreement under section 2 with respect
6 to items—

7 **"(1) that are—**

8 **"(A)** works of art, including tapestries,
9 paintings, sculpture, folk art, and graphics and
10 craft arts;

11 **"(B)** manuscripts, rare documents, books,
12 or other printed or published materials;

13 **"(C)** other artifacts or objects; or

14 **"(D)** photographs, motion pictures, or
15 audio and video tape;

16 **"(2)** that are of educational, cultural, historical,
17 or scientific value; and

18 **"(3)** the exhibition of which is certified (where
19 appropriate) by the Secretary of State or the des-
20 ignee of the Secretary of State as being in the na-
21 tional interest.

22 **"(b) ITEMS ON EXHIBITION.—**

23 **"(1) SCOPE.—**An indemnity agreement made
24 under this Act shall cover eligible items while on ex-
25 hibition, generally when the items are part of an ex-

1 change of exhibitions. An item described in sub-
2 section (a) that is part of an exhibition that origi-
3 nates either in the United States or outside the
4 United States and that is touring the United States
5 shall be considered to be an eligible item.

6 “(2) DEFINITION.—For purposes of this sub-
7 section, the term ‘on exhibition’ includes the period
8 of time beginning on the date the eligible items leave
9 the premises of the lender or place designated by the
10 lender and ending on the date such items are re-
11 turned to the premises of the lender or place des-
12 ignated by the lender.

13 **“SEC. 4. APPLICATIONS.**

14 “(a) IN GENERAL.—Any person, nonprofit agency,
15 institution, or government desiring to enter into an indem-
16 nity agreement for eligible items under this Act shall sub-
17 mit an application to the ^{Director}~~Chairperson~~ at such time, in
18 such manner and in accordance with such procedures, as
19 the ^{Director}~~Chairperson~~ shall, by regulation, prescribe.

20 “(b) CONTENTS.—An application submitted under
21 subsection (a) shall—

22 “(1) describe each item to be covered by the
23 agreement (including an estimated value of such
24 item);

1 “(2) show evidence that the item is an item de-
2 scribed in section 3(a); and

3 “(3) set forth policies, procedures, techniques,
4 and methods with respect to preparation for, and
5 conduct of, exhibition of the item, and any transpor-
6 tation related to such item.

7 “(c) APPROVAL.—On receipt of an application under
8 this section, the ^{Director}~~Chairperson~~ shall review the application
9 as described in section 5 and, if the ^{Director}~~Chairperson~~ agrees
10 with the estimated value described in the application and
11 if such application conforms with the requirements of this
12 Act, approve the application and enter into an indemnity
13 agreement with the applicant under section 2. On such
14 approval, the agreement shall constitute a contract be-
15 tween the ^{Director}~~Chairperson~~ and the applicant pledging the full
16 faith and credit of the United States to pay any amount
17 for which the ^{Director}~~Chairperson~~ becomes liable under such
18 agreement. The ^{Director}~~Chairperson~~, for such purpose, is author-
19 ized to pledge the full faith and credit of the United
20 States.

21 **“SEC. 5. INDEMNITY AGREEMENT.**

22 “(a) REVIEW.—On receipt of an application meeting
23 the requirements of subsections (a) and (b) of section 4,
24 the ^{Director}~~Chairperson~~ shall review the estimated value of the

1 items for which coverage by an indemnity agreement is
2 sought.

3 “(b) AGGREGATE AMOUNT OF LOSS OR DAMAGE.—

4 The aggregate amount of loss or damage covered by in-
5 demnity agreements made under this Act shall not exceed
6 \$3,000,000,000, at any one time.

7 “(c) INDIVIDUAL AMOUNT OF LOSS OR DAMAGE.—

8 No indemnity agreement for a single exhibition shall cover
9 loss or damage in excess of \$300,000,000.

10 “(d) EXTENT OF COVERAGE.—If the estimated value
11 of the items covered by an indemnity agreement for a sin-
12 gle exhibition is—

13 “(1) \$2,000,000 or less, then coverage under
14 this Act shall extend only to loss or damage in ex-
15 cess of the first \$15,000 of loss or damage to the
16 items covered;

17 “(2) more than \$2,000,000 but less than
18 \$10,000,000, then coverage under this Act shall ex-
19 tend only to loss or damage in excess of the first
20 \$25,000 of loss or damage to the items covered;

21 “(3) not less than \$10,000,000 but less than
22 \$125,000,000, then coverage under this Act shall ex-
23 tend only to loss or damage in excess of the first
24 \$50,000 of loss or damage to the items covered;

1 “(4) not less than \$125,000,000 but less than
2 \$200,000,000, then coverage under this Act shall ex-
3 tend only to loss or damage in excess of the first
4 \$100,000 of loss or damage to the items covered; or
5 “(5) \$200,000,000 or more, then coverage
6 under this Act shall extend only to loss or damage
7 in excess of the first \$200,000 of loss or damage to
8 the items covered.

9 **“SEC. 6. REGULATIONS AND CERTIFICATION.**

10 “(a) REGULATIONS.—The ^{Director}~~Chairperson~~ shall pre-
11 scribe regulations providing for prompt adjustment of
12 valid claims for loss or damage to items that are covered
13 by an agreement entered into pursuant to section 2, in-
14 cluding provision for arbitration of issues relating to the
15 dollar value of damages involving less than total loss or
16 destruction of such covered items.

17 “(b) CERTIFICATION.—In the case of a claim of loss
18 or damage with respect to an item that is covered by an
19 agreement entered into pursuant to section 2, the ^{Director}~~Chair-~~
20 ~~person~~ shall certify the validity of the claim and the
21 amount of the loss to the Speaker of the House of Rep-
22 resentatives and the President pro tempore of the Senate.

1 **"SEC. 7. REPORT.**

2 "The ^{Director}~~Chairperson~~ shall prepare, and submit at the
3 end of each fiscal year to the appropriate committees of
4 Congress, a report containing information on—

5 "(1) all claims paid pursuant to this Act during
6 such year;

7 "(2) pending claims against the ^{Director}~~Chairperson~~
8 under this Act as of the end of such year; and

9 "(3) the aggregate face value of contracts en-
10 tered into by the ^{Director}~~Chairperson~~ that are outstanding
11 at the end of such year.

12 **"SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

13 "There are authorized to be appropriated such sums
14 as may be necessary—

15 "(1) to enable the ^{Director}~~Chairperson~~ to carry out the
16 functions of the ^{Director}~~Chairperson~~ under this Act; and

17 "(2) to pay claims certified pursuant to section
18 6(b).".